



Court File No.

CV-15-11036-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.)
JUSTICE H.J. WILSON-SIBBON)

TUESDAY, THE 14th)
DAY OF JULY, 2015)

Atw

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C, 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF A PROCEEDING IN THE UNITED KINGDOM OF TULLIS RUSSELL PAPERMAKERS LIMITED (IN ADMINISTRATION)

APPLICATION OF BLAIR CARNEGIE NIMMO AND GERARD ANTHONY FRIAR OF KPMG LLP UNDER SECTION 269 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, c. B-3, AS AMENDED.

**SUPPLEMENTAL ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made by Blair Carnegie Nimmo and Gerard Anthony Friar of KPMG LLP in their respective capacity as the foreign representatives (the "**Foreign Representatives**") of Tullis Russell Papermakers Limited (In Administration) (the "**Debtor**") pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") for an Order substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Mr. Blair Carnegie Nimmo sworn July 13, 2015, and on hearing the submissions of counsel for the Foreign Representatives, and on reading the consent of KPMG Inc. ("**KPMG**") to act as the information officer:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

INITIAL RECOGNITION ORDER

2. THIS COURT ORDERS that any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Initial Recognition Order (Foreign Main Proceeding) dated July 14, 2015 (the "**Recognition Order**").

3. THIS COURT ORDERS that the provisions of this Supplemental Order shall be interpreted in a manner complementary and supplementary to the provisions of the Recognition Order, provided that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Recognition Order, the provisions of the Supplemental Order shall govern.

APPOINTMENT OF INFORMATION OFFICER

4. THIS COURT ORDERS that KPMG Inc. (the "**Information Officer**") is hereby appointed as an officer of this Court, with the powers and duties set out herein.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

5. THIS COURT ORDERS that until such date as this Court may order (the "**Stay Period**") no proceeding or enforcement process in any court or tribunal in Canada (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Debtor or affecting its business (the "**Business**") or its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Debtor or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

6. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Debtor or the Foreign Representatives, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Foreign Representatives or leave of this Court, provided that nothing in this Order shall (i) empower the Debtor to carry on any business in Canada which that Debtor is not lawfully entitled to carry on, (iii) exempt the Foreign Representatives or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

7. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor and affecting the Business in Canada, except with leave of this Court or the written consent of the Foreign Representatives.

ADDITIONAL PROTECTIONS

8. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services in Canada, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Debtor, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Debtor, and that the Debtor shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names.

9. THIS COURT ORDERS that during the Stay Period, except with leave of this Court, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Debtor with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Debtor whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

10. THIS COURT ORDERS that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the *Companies' Creditors Arrangement Act* (Canada), and shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

OTHER PROVISIONS RELATING TO INFORMATION OFFICER

11. THIS COURT ORDERS that the Information Officer:

- (a) is hereby authorized to provide such assistance to the Foreign Representatives in the performance of its duties as the Foreign Representatives may reasonably request;
- (b) shall report to this Court at least once every four months with respect to the status of these proceedings and the status of the Foreign Proceedings, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
- (c) in addition to the periodic reports referred to in paragraph 12(b) above, the Information Officer may report to this Court at such other times and intervals as the Information Officer may deem appropriate with respect to any of the matters referred to in paragraph 12(b) above;

- (d) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Debtor, to the extent that is necessary to perform its duties arising under this Order; and
- (e) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.

12. THIS COURT ORDERS that the Debtor and the Foreign Representatives shall (i) advise the Information Officer of all material steps taken by the Debtor or the Foreign Representatives in these proceedings or in the Foreign Proceedings, (ii) co-operate fully with the Information Officer in the exercise of its powers and discharge of its obligations, and (iii) provide the Information Officer with the assistance that is necessary to enable the Information Officer to adequately carry out its functions.

13. THIS COURT ORDERS that the Information Officer shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

14. THIS COURT ORDERS that the Information Officer (i) shall post on its website all Orders of this Court made in these proceedings, all reports of the Information Officer filed herein, and such other materials as this Court may order from time to time, and (ii) may post on its website any other materials that the Information Officer deems appropriate.

15. THIS COURT ORDERS that the Information Officer may provide any creditor of the Debtor with information provided by the Debtor in response to reasonable requests for information made in writing by such creditor addressed to the Information Officer. The Information Officer shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Information Officer has been advised by the Debtor is privileged or confidential, the Information Officer shall not provide such information to creditors unless otherwise directed

by this Court or on such terms as the Information Officer, the Foreign Representatives and the Debtor may agree.

16. THIS COURT ORDERS that the Information Officer and counsel to the Information Officer shall be paid by the Debtor their reasonable fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Debtor is hereby authorized and directed to pay the accounts of the Information Officer and counsel for the Information Officer on a time interval basis and, in addition, the Debtor is hereby authorized to pay to the Information Officer, a retainer in the \$25,000.00 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

17. THIS COURT ORDERS that the Information Officer and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Information Officer and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice, and the accounts of the Information Officer and its counsel shall not be subject to approval in the Foreign Proceeding.

SERVICE AND NOTICE

18. THIS COURT ORDERS that that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

19. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Debtor, the Foreign Representatives and

the Information Officer are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties domiciled in Canada at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

20. THIS COURT ORDERS that the Information Officer or the Foreign Representatives may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

21. THIS COURT ORDERS that nothing in this Order shall prevent the Information Officer from acting as an interim receiver, a receiver, a receiver and manager, a monitor, a proposal trustee, or a trustee in bankruptcy of the Debtor, the Business or the Property.

22. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United Kingdom, to give effect to this Order and to assist the Debtor, the Foreign Representatives, the Information Officer, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtor, the Foreign Representatives, and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Debtor, the Foreign Representatives, and the Information Officer and their respective agents in carrying out the terms of this Order.

23. THIS COURT ORDERS that the Debtor, the Foreign Representatives and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

24. THIS COURT ORDERS that the Guidelines for Court-to-Court Communications in Cross-Border Cases developed by the American Law Institute is adopted by this Court for the purposes of these recognition proceedings.

25. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days notice to the Debtor, the Foreign Representatives, the Information Officer and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such ^{lesser} ~~other~~ notice, if any, as this Court may order. HJG-S

26. THIS COURT ORDERS that this Order shall be effective as of the date of this Order.

W. Hon - d.M.J.

TRIBUNAL SUPRÊME À TORONTO
LE 15 DANS LE REGISTRE NO:
JUL 15 2015

M3

**APPLICATION OF BLAIR CARNEGIE NIMMO AND GERARD ANTHONY FRIAR OF
KPMG LLP UNDER SECTION 269 OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C., 1985, c. B-3, AS AMENDED.**

Court File No:

CV-15-11036-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

SUPPLEMENTAL ORDER

McCarthy Tétrault LLP
Suite 5300, P.O. Box 48
Toronto Dominion Bank Tower
Toronto ON M5K 1E6

James D. Gage LSUC#: 34676I
Tel: 416-601-7539
Fax: 416-868-0673

Kelly Peters LSUC#: 59914W
Tel: 416-601-8281
Fax: 416-868-0673

Lawyers for the Applicants

#14669981